

APPROVED 5-20-15

MINUTES
 City of Tacoma
 Public Utility Board Meeting
 April 22, 2015
 6:30 p.m.

Mr. Flint called the Public Utility Board meeting to order at 6:30 p.m. at the Public Utilities Administration Building.

Present: David Nelson, Bryan Flint, Monique Trudnowski, Mark Patterson
Excused Woodrow Jones

The meeting was quorate.

Minutes of the Previous Meetings

Mr. Patterson moved that the minutes of the previous meetings be adopted; seconded by Mrs. Trudnowski. Voice vote was taken and carried. The minutes were declared adopted and made part of the record.

Recognitions

There were no recognitions.

Comments from the Public

There were no public comments.

Consent Agenda

There were no items on the consent agenda.

Regular Agenda

- D-1 Resolution U-10771 – Award contracts and approve purchases:
1. Award five-year contract to Business Interiors Northwest for the purchase of furniture and services on an as-needed basis (\$2,000,000, plus sales tax);
 2. Award contract to Pitney Bowes for the purchase and installation of a new production console inserter for mail services (\$343,002, plus applicable sales tax).

Mr. Patterson moved to adopt the resolution; seconded by Mrs. Trudnowski.

Upon Board request, Patsy Best, Interim Purchasing Manager, provided clarification on item number one. Eileen Foraker, Mail Services Manager, provided clarification on item number two.

Voice vote was taken and carried. The resolution was adopted.

D-2 Resolution U-10772 – Authorize acceptance by Tacoma Power of approximately 567 acres of property from the Washington State Department of Natural Resources for conservation purposes at the Nisqually Hydroelectric Project.

Mr. Patterson moved to adopt the resolution; seconded by Mrs. Trudnowski.

Brett Forrester, Sr. Biologist, summarized the resolution. This acquisition will expand Tacoma Power's ownership around Alder Lake and therefore increase its ability to control activities on its land and provide additional opportunities for meeting Federal Energy Regulatory Commission license obligations. The opportunity to acquire such a large amount of acreage at no cost that includes high quality mature forest adjacent to Alder Lake is of significant conservation value. Tacoma Power's costs for this acquisition are approximately \$4,000, which includes staff time related to property inspection, communication with the Department of Natural Resources, and internal proceedings related to the acquisition. Because this property will create a contiguous block of ownership where Tacoma Power currently manages much of the periphery, this acquisition is expected to result in negligible increases to Tacoma Power's land management costs.

Mr. Forrester provided clarification upon request for this resolution.

Voice vote was taken and carried. The resolution was adopted.

D-3 Resolution U-10773 – Amend Chapter 12.13 of the Tacoma Municipal Code which sets forth rates for Click! Network cable television products and services.

Mr. Patterson moved to adopt the resolution; seconded by Mrs. Trudnowski.

Mr. Patterson moved to replace Exhibit A with substitute Exhibit A; seconded.

Voice vote to enter the substitute exhibit was taken and carried.

Tenzin Gyaltzen, Click! General Manager, summarized the resolution. Rates for cable television are updated periodically as costs to provide services increase and market pricing analysis are updated. Licensing fees for programming continue to rise on a per customer basis. Market prices for service in Tacoma are still lower than in the non-competitive areas. This rate increase is reflected in the Click! Network revenue and expense budget for 2015/2016 and is necessary to recover anticipated and unanticipated increases in license fees for video programming. Mr. Gyaltzen then outlined the changes in the substitute exhibit and clarified that this increase is for 2015 only. The increase for 2016 will be heard separately.

Voice vote was taken and carried. The resolution was adopted.

D-4 Resolution U-10774 – Authorize Tacoma Water to participate in the City of Tacoma, Department of Public Works contract for the Port of Tacoma Road rehabilitation project.

Ryan Flynn, Sr. Principal Engineer summarized the resolution. During the Port of Tacoma Road Rehabilitation Project, the Department of Public Works will reconstruct the Port of Tacoma Road from East 11th Street to Marshall Avenue. As part of the project, Tacoma Water proposes to replace the existing 12 inch cast iron main in Port of Tacoma Road from East 11th Street to Lincoln Avenue, installed in 1950. The existing water main will be replaced by approximately 3,328 linear feet of 12 inch ductile iron main. Funding for this project is available in the 2015/2016 budget of Tacoma Water.

Voice vote was taken and carried. The resolution was adopted.

Mr. Patterson moved to suspend the rules to hear walk-on Resolution U-10775 relating to the public service and expressing appreciation for the service of Ted Coates to Tacoma Public Utilities; seconded by Mr. Trudnowski.

Voice vote to suspend the rules taken and carried.

Mr. Flint read Mr. Coates' commendatory resolution and presented him with a framed copy.

Board Members and Director Gaines made positive remarks about Mr. Coates' service.

Voice vote was taken and carried. The resolution was adopted.

H. Reports of the Director

- H-1 2014 Annual Financial Reports for Power, Water, Rail, Fleet, Self-Insurance Fund
- H-2 Budget Performance Reports for Q4 2014 and Q1 2015

Director Gaines called on Jim Sant, Deputy Director for Administration, to provide a report on the fourth quarter 2014 and first quarter 2015 budget performance reports for Power, Water, and Rail. Mr. Sant presented the key budget information, covering revenues and expenditures, for each of the operating divisions.

I. Comments by the Board

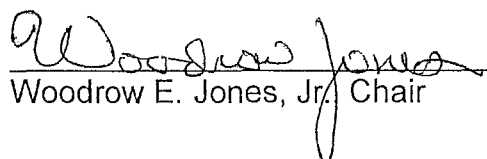
Mr. Flint reminded everyone that April 22 is Earth Day.

Mr. Flint shared that the second of two public town hall meetings to discuss the Click! lease proposal is scheduled for Thursday, April 23 at 7:00 in the TPU auditorium.

J. Adjournment

There being no further business or comments, the Public Utility Board was adjourned at 7:23 p.m. until Wednesday, May 13, 2015, for a study session beginning at 3:00 p.m., followed by the regular meeting at 6:30 p.m.

Approved:


Woodrow E. Jones, Jr. Chair


Mark Patterson, Secretary